
1997 LAUS Benchmark

LAUS Benchmark increases the 1997 unemployment rate for New Hampshire

The Local Area Unemployment Statistics (LAUS) program estimates monthly what portion of the state's labor force is employed and what portion is unemployed. The sum of those two numbers provides the civilian labor force and then the unemployment rate is calculated by dividing the number unemployed by the total labor force. The program is based on place of residence.

Two regression models, specific to New Hampshire, are used. They extract data from three major sources: the Current Population Survey (CPS), the Current Employment Statistics program (CES), and Unemployment Insurance (UI) data.

CPS - The primary input is data from the monthly CPS of new Hampshire house holds conducted by the United States Census Bureau. With this sample survey of the state's house holds, the LAUS process measures all of the unemployed, even those who do not collect unemployment compensation benefits.

CES - These estimates gauge total employment levels of nonagricultural jobs in New Hampshire.

UI - Additional inputs come from the number of continued claimants of Unemployment Insurance who had no earnings in a specific week.

The benchmark of the unadjusted 1997 LAUS made some significant shifts in the early part of the year, but very small adjustments at the end. The January and February labor forces were considerably smaller than originally stated, nearly all from the estimate of employed residents. The next four months continued to show fewer residents employed but more unemployed than originally estimated. March was especially revised as the estimate of the number employed decreased by 11,160, the number unemployed increased by 4,610, and the unemployment rate advanced from 2.6 percent to 3.4 percent.

The changes in the second half of the year were relatively insignificant. The number employed was never more than 5,000 different, the number unemployed was within 2,000, and the unemployment rate differed by 0.3 percentage points or less. The benchmarked annual averages for 1997 showed about 6,300 more people employed, 1,400 more unemployed, and a higher unemployment rate by 0.2 percentage points.

The seasonally adjusted estimates were likewise adjusted more in the first half of the year. Benchmarked January and February estimates portray a labor force more than 20,000 under the previous revision, with about 25,000 fewer employed and the number unemployed increasing. The March estimate of unemployment was revised upward nearly 8,000 propelling the unemployment rate from 2.1 percent to 3.4 percent. April and May continued this trend, but to a lesser degree. The benchmarked labor forces for June, July, and August were actually higher than the previous revisions. Like the unadjusted estimates, the adjusted numbers for the final months had smaller modifications.

New Hampshire LAUS benchmarking for the year 1997 is complete, but will not be official until the data, along with that of the other states, is reviewed by the Bureau of Labor Statistics in Washington, D.C. This review process ensures comparability of estimates between states.

Martin Capodice

